

TO: Mayor and City Council

FROM: Louis N. Garcia, City Manager

SUBJECT: CPUC ENERGY PROGRAM PARTICIPATION

RECOMMENDATION:

That the Mayor and City Council adopt the following resolution by title only, waiving further reading:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO AFFIRM THE INTEREST OF THE CITY OF REDONDO BEACH IN JOINING IN A PROGRAM BEING PROPOSED TO THE CPUC BY CCA MANAGEMENT TO SECURE FUNDING TO MARKET AND COMPLETE ENERGY EFFICIENCY PROGRAMS FOR THE CITY'S RESIDENTS, BUSINESSES AND PUBLIC BUILDINGS AND TO SEEK THE PARTICIPATION OF OTHER SOUTH BAY CITIES

EXECUTIVE SUMMARY:

There is an opportunity for the City of Redondo Beach and neighboring communities to receive funding through a new California public Utilities Commission (CPUC) program that will provide \$100 million each year from Public Goods Funds to market and complete energy efficiency programs for the State's residents, businesses and public buildings. These funds are outside of the moneys to be provided through the state's large, investor-owned utilities such as Southern California Edison.

To qualify for funding, acceptable proposals must be submitted to the CPUC by January 15, 2002.

CCA Management, LLC, (energy program developer/manager) and Rita Norton & Associates, LLC (lead subcontractor) have the expertise to file an acceptable proposal and to carry out the objectives of an energy program. The companies are jointly filing a proposal with the CPUC to implement such a program. In order to secure this new opportunity for the City of Redondo Beach, its residents and businesses, and to invite participation from other interested cities, City staff have worked with the companies to develop a proposal that will provide significant energy efficiency assistance, rebates and incentives to the community without cost to the City.

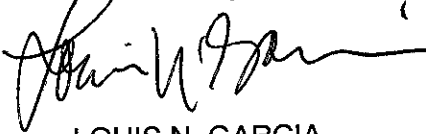
COORDINATION:

The Public Works Department and the City Manager's Office have coordinated with the parties involved to develop the proposal. The City Attorney's office has approved the resolution as to form.

FISCAL IMPACT:

There is no fiscal impact to adopting the resolution and joining in the proposal as an interested City.

Submitted by:



LOUIS N. GARCIA
City Manager

Prepared by:



MAGGIE HEALY
Assistant to the City Manager

Attachment: Resolution

CITY OF REDONDO BEACH/CPUC ENERGY INCENTIVE PROGRAM

EXECUTIVE SUMMARY

December 24, 2001

There is an opportunity for the City of Redondo Beach and neighboring communities to receive funding through a new California Public Utilities Commission (CPUC) program that will provide \$100 million each year from Public Goods Funds to market and complete energy efficiency programs for the State's residents, businesses, and public buildings. These funds are outside of moneys to be provided through the state's large, investor-owned utilities. To qualify for funds, an organization or individual must develop and submit an acceptable proposal to the CPUC by January 15, 2002.

CCA Management, LLC, the energy program developer, administrator, and manager to reduce energy costs, is filing a proposal with the CPUC to implement such a program. CCA is headed by Sidney Pelston, with 26 years experience in the energy industry, and supported by a team of experts with long and deep experience in energy policy and energy program strategy and implementation.

Rita Norton of Rita Norton & Associates, LLC is the lead sub contractor, with 25 years of energy policy experience with specialization in developing and conducting local energy programs.

The team of CCA Management, LLC and Rita Norton & Associates, LLC provides strength, expertise, reliability, quality and innovation with the ability to expand the scope of the project and willingness to collaborate with other qualified sub-contractor, utility and state- initiatives, necessary to deliver both significant and hard-to-reach energy savings.

The Opportunity for the City of Redondo Beach.

The City of Redondo Beach and its sister cities are invited to be a part of a group of recipients that will receive funding expected to be secured through CCA. The objective is to achieve a significant reduction in energy expenses within the City of Redondo Beach and local communities to enhance the economic health of the City and the region, and to provide added resources, revenue, and staffing for the cities with respect to their participation in the program implementation. By aggregating a larger number of energy users, the proposal is stronger and more likely to be awarded funds. In addition, the cities or any energy user are free to participate directly with an SCE or SCG program, as long as there is not a double payment made for the same service. By participating in this project, Redondo Beach constituents and their neighbors will likely secure a greater portion of the available Public Goods Funds and realize the other benefits described herein than might otherwise occur.

This high-impact comprehensive program can benefit residential, multi-family, small and large commercial, industrial, and public buildings and is expected to provide: energy efficient indoor and outdoor lighting and controls, including street and traffic lights; occupancy sensors; solar protection window film; high efficiency air conditioning, heating, refrigeration, and water systems; water conservation and efficiency systems and programs; energy efficient motors and variable speed drives; cool roofs; cool environments; building automation energy management systems; time of use management systems to reduce energy use during the high cost peak periods; improved maintenance, logistics, and transportation systems; compliance with beyond-Title 24 energy standards, and improved business operating processes that affect energy consumption.

It is expected that the Public Goods Funding will offset a major portion of the cost to identify and complete energy cost reduction projects. "No cash" outlay programs will enable program participants to complete 'self-funded' projects by using savings to cover costs without spending their own money.

RESOLUTION NO. CC-0201-005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO AFFIRM THE INTEREST OF THE CITY OF REDONDO BEACH IN JOINING IN A PROGRAM BEING PROPOSED TO THE CPUC BY CCA MANAGEMENT, TO SECURE FUNDING TO MARKET AND COMPLETE ENERGY EFFICIENCY PROGRAMS FOR THE CITY'S RESIDENTS, BUSINESSES AND PUBLIC BUILDINGS, AND TO SEEK THE PARTICIPATION OF OTHER SOUTH BAY CITIES

WHEREAS, the California Public Utilities Commission (CPUC) has developed a new program of funding innovative programs that will help market and complete energy efficiency programs for the State's residents, businesses and public buildings; and

WHEREAS, the CPUC is enabling non-utility organizations to develop and implement rebate programs to serve local markets; and

WHEREAS, CCA Management, LLC, has the expertise to develop and carry out such programs and has worked with City staff to develop a proposal that will benefit interested South Bay cities by providing funding for innovative rebate and incentive programs; and

WHEREAS, to qualify for funding, acceptable proposals must be submitted to the CPUC by January 15, 2002.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to affirm the interest of the City of Redondo Beach in joining in a program being proposed to the CPUC by CCA Management, LLC, to secure funding to market and complete energy efficiency programs for the City's residents, businesses and public buildings, and to seek the participation of other South Bay Cities.

SECTION 2. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2002.

Gregory C. Hill, Mayor

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

I, Sandy Forrest, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-0201-005 was duly passed, approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 8th day of January 2002, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Sandy Forrest, City Clerk

APPROVED AS TO FORM:

City Attorney